

and other industries, including entertainment, aviation, and natural resources. Since its inception, Bay Point has originated over \$1 billion of privately negotiated loans.

5. Bay Point has expertise and significant experience providing financing in distressed situations, both in and outside of court proceedings, including debtor-in-possession financing in chapter 11 bankruptcy cases throughout the country. Bay Point has originated several debtor-in-possession loans in the last three years, including those identified below:

- (a) *Hannah Solar, LLC* (Case No. 19-57651) in the Northern District of Georgia Bankruptcy Court;
- (b) *Serendipity Labs, Inc.* (Case No. 20-68124) in the Northern District of Georgia Bankruptcy Court;
- (c) *VC Mining Enterprises, Inc. & Virtual Citadel, Inc.* (Jointly Administered Case No. 20-62725) in the Northern District of Georgia Bankruptcy Court;
- (d) Town Sports International, LLC *et al.* (Case No. 20-12168) in the District of Delaware Bankruptcy Court as part of a consortium of lenders through a special purpose entity

6. Bay Point also has expertise and significant experience providing large loans, including those loans identified below:

- (a) Loan for newly constructed hotel in Vancouver, WA, in May 2022 in the amount of \$31,400,000;
- (b) Acquisition bridge loan for a retail in Southern Lake Tahoe, CA, in December 2021 in the amount of \$24,000,000 (also contributed an additional \$8,500,000 in equity);
- (c) Acquisition loan for residence and adjacent vacant lot in Jackson, WY, in October 2021 in the amount of \$22,000,000;
- (d) Construction loan for film sound stages in July 2022, in the amount of \$20,000,000.

7. With \$450 million in assets under management, Bay Point has available capital necessary to fund the proposed debtor-in-possession loan to Brickchurch as set forth in the DIP Loan Term Sheet (as defined below) (the “**DIP Loan**”).

Bay Point's Proposed DIP Loan with Debtor Brickchurch Enterprises, Inc.

8. In September 2022, Bay Point commenced discussions with Brickchurch, Aberdeen Enterprises, Inc. (“*Aberdeen*”), and their principal Ms. Louise Blouin (collectively, “*Obligors*”), and legal counsel to explore the possibility of Bay Point providing financing that Obligors need to maximize the value of their assets, fund the Brickchurch bankruptcy case, and form the basis of a confirmable chapter 11 plan and emerge from bankruptcy.

9. Bay Point and Brickchurch have worked diligently over the past month to negotiate the terms and conditions pursuant to which Bay Point, with approval of the Bankruptcy Court, would provide debtor-in-possession financing to Brickchurch. Those negotiations progressed and resulted in an agreement among the parties on the term sheet attached hereto as Exhibit A (the “*DIP Loan Term Sheet*”) that reflects the terms and conditions pursuant to which Bay Point would provide the DIP Loan. The principal terms of the proposed DIP Loan, as set forth in the DIP Loan Term Sheet and the DIP Loan Agreement (as defined below) include, without limitation, the following:

- (a) Total commitment: up to \$62 million
- (b) Maturity date: 6 months from closing with 3-month extension option
- (c) Non-default interest rate: 10% per annum
- (d) Default interest rate: 24%
- (e) Borrowers: Brickchurch and Aberdeen
- (f) Guarantors:

- i) Louise Blouin
 - ii) Aberdeen Enterprises Holdings Ltd.
 - iii) Aberdeen Enterprises Ltd.
 - iv) Brickchurch Enterprises Ltd.
- (g) Collateral:
- i) First mortgage on Brickchurch property located at 376 Gin Lane, Southampton, NY 11968
 - ii) Second mortgage on Brickchurch property located at 376 Gin Lane, Southampton, NY 11968
 - iii) Pledge of equity in Brickchurch, Aberdeen, Brickchurch Enterprises Ltd., Aberdeen Enterprises Ltd., and Aberdeen Enterprises Holdings Ltd.
 - iv) Unlimited personal guaranty of Louise Blouin

10. The terms of the DIP Loan were negotiated at arm's length. Bay Point does not have any prepetition connection to, or interest in, the Debtor. Nor does Bay Point have any post-petition connection to, or interest in, the Debtor (other than serving in the role as proposed DIP lender).

11. Bay Point is willing to make the DIP Loan in accordance with the terms and conditions set forth in the DIP Loan Term Sheet and such other customary terms and conditions for debtor-in-possession financing of this size and type.

I declare under penalty of perjury under the laws of the United States, that the foregoing statements are true and correct.

Charles Andros,
Partner, President, Chief Investment Officer
Bay Point Advisors, LLC

STATE OF GEORGIA

I HEREBY CERTIFY that on or about this ____ day of _____, 2022, before me, a Notary Public for the state aforesaid, personally appeared **Charles Andros**, known to me or satisfactorily proven to be the Person whose name is subscribed to the foregoing instrument, is duly authorized to execute, and has executed, such instrument on its behalf for the purposes therein set forth; and that the same is its act and deed.

IN WITNESS WHEREOF, I have set my hand and Notarial Seal, the day and year first above written.

Notary Public

My commission expires on _____.

EXHIBIT A

(DIP Loan Term Sheet)



BAY POINT
ADVISORS LLC

October 12, 2022
Term Sheet

This Term Sheet reflects the intention of the parties, but for the avoidance of doubt neither this Term Sheet nor its acceptance shall give rise to any legally binding or enforceable obligation on any party, except with regard to exclusivity, confidentiality, deposits hereof (and replenishment of the same), and the payment of any loan costs in excess of the deposits. No contract or agreement providing for any transaction involving Bay Point and the Loan Parties shall be deemed to exist between the parties and any of their affiliates unless and until definitive agreements have been executed and delivered. Bay Point may withdraw this Term Sheet for any reason or no reason at all, nonetheless, it expires October 14, 2022 at 5:00 pm.

- Loan Amount:** Total commitment up to \$62,000,000 (sixty-two million dollars even); Lender will fund the net amount required to pay off an existing lender (JGB Management, Inc.), the Interest Reserve, lender fees and closing costs. There will be no proceeds to the Borrower.
- Use of Funds:** DIP Financing
- Collateral:**
- 1st Mortgage in the amount of \$52,000,000 on 366 Gin Lane, Southampton, NY 11968 and 2nd Mortgage in the amount of \$10,000,000 on 376 Gin Lane, Southampton, NY 11968. The Mortgages will be cross-collateralized and cross-defaulted.
 - Pledge of equity in Borrowers.
 - Unlimited personal guarantee from Louise Blouin.
- Funding Date:** Subject to satisfaction of the Conditions Precedent and Bankruptcy Court approval of this proposed DIP Financing, Lender and Borrower agree to make reasonable efforts to effectuate a closing on or before November 9, 2022.
- Conditions Precedent:** The below are conditions precedent to funding of the Loan Amount:
- Clean title on 366 Gin Lane and 376 Gin Lane.
 - Receipt of a Bankruptcy Court order approving the loans that are the subject of this Term Sheet that is satisfactory to Lender in its sole and absolute discretion, including approval of the final loan documents.
- Borrowers:** Brickchurch Enterprises, Inc.
Aberdeen Enterprises, Inc.
- Guarantor:** Louise Blouin
- Loan Parties:** The Borrowers and Guarantor are collectively referred to as the Loan Parties in this Term Sheet.
- Maturity:** 6 months from the date of the Closing.

Extension Fee: If 366 & 376 Gin Lane are under contract with a buyer satisfactory to Lender, in Lender's sole and absolute discretion, Borrower may exercise one 3-month extension option for 1% of Loan Amount, paid at extension. Borrowers agree to replenish the Interest Reserve with 3 months of interest payments at extension.

Interest Rate: Ten percent (10%) per year, paid monthly in arrears. In the event of default or maturity, interest will increase to 24% per year. Late fees of 10% will be incurred upon any missed payment, including any missed balloon payment due at maturity or otherwise.

Lockout: None. There is no pre-payment penalty.

Interest Reserve: At Closing, the Lender will escrow an amount equal to the first 6 months of interest payments.

Origination Fee: At Closing, the Lender will receive an origination fee equal to 9% of the Loan Amount.

Broker Fee: At Closing, Nathan Capital Group will receive a fee equal to 0.50% of the Loan Amount, paid by Borrowers/Guarantor.

Non-Refundable Expense Deposit: Within 48 hours of the complete execution of this term sheet, the Loan Parties shall wire \$75,000 to the Lender (the "Expense Deposit"). The Expense Deposit is nonrefundable for any reason whatsoever; however, if the loan closes, the Borrower will receive a credit for the Expense Deposit on the loan closing statement.

Administrative Deposit: At loan closing (via the closing statement), Borrower agrees to establish an administrative deposit in the amount of \$25,000 to pay any expenses incurred by the Lender during the course of the loan term. Any remaining balance will be returned to Borrower after the subject loan has been paid in full.

Loan Costs: Borrower agrees to pay all loan closing costs, including but not limited to lender legal fees, title searches, survey and updates to 3rd party reports, and a \$50,000 due diligence fee payable to Clifton Property Trust. If the loan does not close for any reason, other than a breach of this Term Sheet by Lender, the Loan Parties will remain jointly and severally liable for the payment to Lender of all such Loan Costs. The Loan Parties stipulate that any such claim for Lender's Loan Costs will be entitled to be paid as an administrative priority claim in any applicable bankruptcy case.

Confidentiality: Except to the extent required by law, and up until filing for Bankruptcy Court approval of the DIP Financing, the Loan Parties agree not to disclose, and/or to cause their respective officers, directors, employees, agents and affiliates not to disclose, the existence of this Term Sheet, any of the terms, conditions, fees and charges or other facts relating to the proposed Loan. The provisions of this Section "Confidentiality" shall survive the expiration and termination of this Term Sheet.

SIGNED AND ACCEPTED,

LENDER:

BAY POINT ADVISORS, LLC

a Delaware limited liability company

BORROWERS:

BRICKCHURCH ENTERPRISES, INC.

ABERDEEN ENTERPRISES, INC.

By: *Charles Andros*
Name: Charles Andros
Title: Manager
Email: charlesandros@baypointadvisors.com
Address: 3050 Peachtree Rd, Suite 740
City, State: Atlanta, GA 30305
Phone: 404.963.6031

By:
Name:
Title:
Email:
Address:
City, State:
Phone:

GUARANTOR:

By:
Name: Louise Blouin



BAY POINT
ADVISORS LLC

Wire Instructions for Expense Deposit

**Bay Point Capital Partners II, LP
3050 Peachtree Road NW, Suite 740, Atlanta, GA 30305
Kevin Brawner @ 404.285.1918**

Domestic | Wire Fund Transfers:

BMO Harris Bank NA

111 W. Monroe St.,

Chicago, IL 60603, USA

Routing/ABA#: [REDACTED]

Beneficiary Account Name: **Bay Point Capital Partners II, LP**

Beneficiary Account Number: [REDACTED]

For any questions, please contact Kevin Brawner, CFO & CCO at:

Telephone: **404.285.1918**

Email: **kevinbrawner@baypointadvisors.com**